



An EDISON INTERNATIONAL Company

Robert Lopez
Region Manager

March 16, 2005

Gary W. Johnson
Aggregate Resource Development Manager
Granite Construction Company
38000 Monroe Street
Indio, Ca. 92203-9500

Re: **Riverside County Rock Quarry Project.**

Gary, this is the best I can do to answer the questions you have presented. As I mentioned before, some of your questions require much more detailed analysis that can not provide to you at this time.

1. The general description of the route and what portion is underground vs. overhead.

- **33kV Options –**

- 1.) **Pechanga Substation** –substation is located north side of Hwy. 79 west of Anza Road in Temecula. Construct an underground circuit from substation approximately 4 miles west to Pechanga Parkway. Continue the underground construction south along Pechanga Parkway approximately 1 mile to Loma Linda Road. Rise up and construct an overhead 33kV circuit on existing poles approximately 3.5 miles to a location where the circuit could cross the 15 Freeway to the customer's property where a customer substation would be built.
- 2.) **Pechanga Substation** – substation is located north side of Hwy. 79 west of Anza Road in Temecula. Construct an underground circuit from substation approximately 4 miles west to Pechanga Parkway. Rise up and re-construct existing 33kV circuit approximately 5 miles to a Calamar Pole Top. Extend a new 33kV circuit approximately 1.5 miles of 33kV circuit through the Santa Margarita Conservancy through existing San Diego Gas & Electric (SDG&E) easement from existing 33kV facilities in order to reach customers property where a customer substation would be built.
- 3.) **Calamar Pole Top** –Re-construct existing 33kV circuit serving Calamar Pole Top. From existing 33kV circuit will need to construct an additional 1.5 miles of 33kV circuit through the Santa Margarita Conservancy through existing San Diego Gas & Electric (SDG&E) easement in order to reach customers property where a customer substation would be built.

- **115kV Option –**

- 1.) **Pechanga Substation** - Construct a new 115kV circuit from existing circuit at Red Hawk Parkway west along Highway 79 South to Pechanga Parkway south to location where the circuit could cross the 15 Freeway to the customer's property where a customer substation would be built.

26100 Meniffee Road
Romoland, CA 92585-9752
951-928-8208
Fax 951-928-8508
robert.lopez@sce.com

2. The rights of way or easements that you believe that you would need to obtain for each option.

- **33kV Options –**

- A.) **Pechanga Substation** – Most of this construction will be within the Governmental Agency (Temecula or County of Riverside) until crossing the freeway where it is private property.
- B.) **Pechanga Substation** - Most of this construction will be within the Governmental Agency (Temecula or County of Riverside) until crossing the freeway where it is private property.
- C.) **Calamar Pole Top** - Most of this construction will be within the Governmental Agency (Temecula or County of Riverside) until crossing the freeway where it is private property.

- **115kV Option –**

- 1.) **Pechanga Substation** - Most of this construction will be within the Governmental Agency (Temecula or County of Riverside) until crossing the freeway where it is private property.

3. The approximate length of each segment for each option.

See Above.

4. The segments that may use existing overhead structures.

- **Only the 33kV Options –**

- A. **Pechanga Substation** –substation is located north side of Hwy. 79 west of Anza Road in Temecula. Construct an underground circuit from substation approximately 4 miles west to Pechanga Parkway. Continue the underground construction south along Pechanga Parkway approximately 1 mile to Loma Linda Road. Rise up and construct an overhead 33kV circuit on existing poles approximately 3.5 miles to a location where the circuit could cross the 15 Freeway to the customer's property where a customer substation would be built.
- B. **Pechanga Substation** – substation is located north side of Hwy. 79 west of Anza Road in Temecula. Construct an underground circuit from substation approximately 4 miles west to Pechanga Parkway. Rise up and re-construct existing 33kV circuit approximately 5 miles to a Calamar Pole Top. Extend a new 33kV circuit approximately 1.5 miles of 33kV circuit through the Santa Margarita Conservancy through existing San Diego Gas & Electric (SDG&E) easement from existing 33kV facilities in order to reach customers property where a customer substation would be built.
- C. **Calamar Pole Top** –Re-construct existing 33kV circuit serving Calamar Pole Top. From existing 33kV circuit will need to construct an additional 1.5 miles of 33kV circuit through the Santa Margarita Conservancy through existing San Diego Gas & Electric (SDG&E) easement in order to reach customers property where a customer substation would be built.

5. The rough cost estimates for each option?

Rough estimated costs for each of the four options were \$15 million dollars per option which included customer owned substation.

6. A general description of the refund (under Rule 15 tariff) mechanism for transmission and for distribution routes that you discussed. As an example: I understand that if our facility reaches peak load in the first year we could get 50% refunded. What if we only reach 70% of peak? Does our total usage (kW-

hr) have any bearing on this. I guess what I need to know is what formula does SCE use to determine the refund under Rule 15?

Per the California Public Utilities Commission, Distribution Line Extensions are subject to Tariff Rule 15.
(<http://www.sce.com/NR/sc3/tm2/pdf/Rule15.pdf>)

Section 15.C.2 covers the Allowances and is as follows:

2. BASIS OF ALLOWANCES. Allowances shall be granted to an Applicant for Permanent Service, or to an Applicant for a subdivision or development under the following conditions:

- a. SCE is provided evidence that construction will proceed promptly and financing is adequate, and**
- b. Applicant has submitted evidence of building permit(s) or fully-executed home purchase contract(s) or lease agreement(s), or**
- c. Where there is equivalent evidence of occupancy or electric usage satisfactory to SCE.**

The allowances in Sections C.3 and C.4 are based on a revenue-supported methodology using the following formula:

$$\text{ALLOWANCE} = \frac{\text{NET REVENUE}}{\text{COST OF SERVICE FACTOR}}$$

8. A general description of the process a customer would go through to enter into a contract for power from a transmission line or a distribution line.

Generally a customer would make application for construction with our Local Planning department. Depending on the customer's electrical needs, the Local Planning department will involve SCE engineers to determine whether or not a 33kV source or a transmission source is needed.

9. The timing and approval process for extending the transmission line. If cover the impacts in the EIR, what do you have to do with the PUC.

The California Public Utilities Commission has identified power line construction requirements pursuant to General Order 131d (<http://www.cpuc.ca.gov/Published/Graphics/589.PDF>). The utility must comply with each of its provision based on the voltage being requested. This process includes applying for a Permit to Construct, Public Hearings, Testimony and in the past has taken two or more years to complete.

I realize this is a very large project and hope this information is helpful in making your decision. I will be meeting once again with our Corporate Management Team the first of April to see if there is anything else I can offer. If you need further information please feel free to give me a call.

Sincerely,


Robert Lopez
Region Manager